

11/15/77 [1]

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THE PRESIDENT'S SCHEDULE

Tuesday - November 15, 1977

8:15 Dr. Zbigniew Brzezinski - The Oval Office.

8:45 Mr. Frank Moore - The Oval Office.

10:00 Mr. Jody Powell - The Oval Office.

**10:30 Arrival Ceremony for Their Imperial Majesties
The Shahanshah and The Shahbanou of Iran.
The South Grounds.**

**11:00 Meeting with His Imperial Majesty.
(90 min.) (Dr. Zbigniew Brzezinski) - The Oval
Office and the Cabinet Room.**

**2:00 Budget Review Meeting. (Mr. James McIntyre).
(2 hrs.) The Cabinet Room.**

**7:30 State Dinner (Black Tie) Honoring Their Imperial
Majesties, The Shahanshah and The Shahbanou
of Iran - The State Floor.**

Draw Crowd

THE WHITE HOUSE

WASHINGTON

November 10, 1977

MEMORANDUM TO THE PRESIDENT

FROM: JIM FALLOWS/^{JK}JERRY DOOLITTLE

SUBJECT: Talking Points for Toast to
Shah, Nov. 15

1. A Persian proverb says, "History is a mirror of the past and a lesson for the future". The Shah's great empire has a past characterized by a degree of tolerance and respect for its subject peoples unique in the ancient world. Its monuments remain among the great wonders of the world.
2. Since the Shah assumed leadership of his country 36 years ago, he has indeed used the mirror of that past as a lesson for the future. Examples are:
3. His father's reform programs were still in their early stages. Perhaps only a few thousand persons had advanced college degrees. Now Iran has more than 150,000 University students at home, and thousands more abroad. *30000 in US*
4. Industry was also in its early stages; now steel mills, refineries and factories abound, and the World War II per capita income of \$100 a year has climbed to \$2,000.
5. Thirty-six years ago, Iran was occupied by outside forces and beset with grave problems. Now the country is secure

politically and militarily, and plays a prominent role in world affairs.

6. Iran has no major quarrels with its neighbors today, has taken the lead in settling differences with them, and has offered assistance to many less fortunate nations.

7. The devotion of her Majesty, the Empress, to improving the lives of the Iranian people is widely recognized in this country. Her visits here are always welcome, and you hope there will be many more.

#

Sarah Vaughan
Theresa M
Voice - instrument
magic - velvet
Baritone - 50's

Banquet 11/15/77
Shah & Empress Farah
Draw Crowd - Cool
Brief speech
History. Mirror / Past
Lesson / Future

GREAT EMPIRE
TOLERANCE / RESPECT
36 YEARS - OCCUPIED
1000 - 150000 / 30000
STEEL - REFIN - FACTORIES
\$100 → 2000

REGION
World
US/IRAN
Empress

Carl Jensen
11/18 Fri
B Day
94 yrs
old

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MEMORANDUM

~~THE~~ PRESIDENT HAS SEEN₂

THE WHITE HOUSE

WASHINGTON

FOR THE PRESIDENT AND MRS. CARTER

FROM: GRETCHEN POSTON

DATE: 8 November 1977

SUBJECT: VISIT OF THE SHAHANSHAH and THE SHAHBANOU OF IRAN
November 15, 1977

Please find attached the scenarios for the arrival ceremony and state dinner to be given in honor of the above visitors.

ON THE OCCASION OF
THE VISIT OF
THE SHAHANSHAH OF IRAN
THE SHABANOU OF IRAN

ARRIVAL SCENARIO

Southwest Gate

- 10:00 A.M. Welcoming and Official Parties arrive White House, South Lawn.
- 10:20 A.M. Official Party preceding the Shshanshah and the Shahbanou arrives White House, and proceeds to South Lawn positions.
- 10:27 A.M. The PRESIDENT and MRS. CARTER arrive Diplomatic Reception Room.
- 10:29 A.M. The PRESIDENT and MRS. CARTER are announced, and enter grounds to edge of carpet.

(Music - "Man of the Hour")

- 10:30 A.M. The motorcade carrying the Shahanshah and the Shahbanou arrives - fanfare. Official introductions.

The PRINCIPALS proceed onto platform and into positions for honors.

(Iranian National Anthem)
(U.S. National Anthem)
(21-gun Salute)

The PRESIDENT and the Shah descend platform for Inspection of Troops. Return to platform for remarks.

(All PRINCIPALS to new positions - toe cards)

Following remarks, PRINCIPALS return to positions facing south as Commander of Troops closes ceremony.

PRINCIPALS proceed to South Portico Balcony and pause for press photo session. Proceed to Blue Room via Green Room for receiving line.

- 11:00 A.M. Coffee is served.
- 11:15 A.M. PRINCIPALS move into Main Hall and take positions at foot of Grand Staircase for formal presentation to the PRESIDENT and MRS. CARTER of Iranian tapestry. Press photo session.
- 11:25 A.M. The PRESIDENT and the Shah depart for Oval Office.
- The Shahbanou departs for Blair House via Diplomatic Entrance.

ON THE OCCASION OF
THE VISIT OF
THE SHAHANSHAH OF IRAN
THE SHAHBANOU OF IRAN

DINNER SCENARIO

Southwest Gate

- 7:00 P.M. Dinner guests arrive Diplomatic Reception Room and are escorted to East Room.
- (Harpist in Diplomatic Reception Room)
- 7:15 P.M. Official Iranian Party departs Blair House.
- 7:20 P.M. Official Party arrives White House, proceeds to Red Room to await State Dept. official escort to Yellow Oval Room.
- 7:28 P.M. The Shahanshah and the Shahbanou depart Blair House.
- The PRESIDENT and MRS. CARTER depart living quarters for the Diplomatic Entrance.
- (U.S.M.C. Orchestra in Main Hall)
- 7:31 P.M. The Shahanshah and the Shahbanou are greeted by the PRESIDENT and MRS. CARTER at South Portico, pause for press photo session and proceed to Yellow Oval Room.
- 7:40 P.M. Guests (save Principals) depart Yellow Oval Room for East Room.
- 7:45 P.M. All PRINCIPALS descend Grand Staircase, pause for press photo session and proceed into East Room for receiving line.
- Following receiving line, guests depart via cross hall to State Dining Room.
- 8:00 P.M. Dinner is served. Toasts.
- (Strolling Strings perform during dessert)
- 9:30 P.M. After-dinner guests arrive Diplomatic Entrance and proceed to China Room and Library for refreshments.
- (Harpist in Diplomatic Reception Room)
- Dinner guests depart State Dining Room to Blue Room for coffee.
- After-dinner guests are escorted upstairs for receiving line in cross hall, main floor. Proceed to East Room.
- 9:50 P.M. All PRINCIPALS enter East Room and are seated for entertainment.
- The PRESIDENT'S introductory remarks.

Cont.

Dinner Scenario - November 15, 1977
Page 2

10:30 P.M. Conclusion of entertainment. Entertainers are thanked.

10:45 P.M. The Shahanshah and the Shahbanou are escorted to South Portico for departure.

The PRESIDENT and MRS. CARTER proceed to elevator for departure to living quarters.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

November 14, 1977

MEMORANDUM TO THE PRESIDENT

FROM: JIM FALLOWS/JERRY DOOLITTLE *JFO*
SUBJECT: Talking Points for Presentation of Tapestry

1. The tapestry portraying George Washington is a gift from the Shah and the people of Iran, originally intended for the Bicentennial. But the job was finished too late for that occasion -- and you can see why, in view of the intricacy and beauty of the work.
2. There are from 120 to 160 knots per square centimeter -- craftsmanship so painstaking that the tapestry took two years to complete.
3. The Royal Couple is to be commended for their great efforts -- of which this beautiful tapestry is a symbol -- to keep alive the traditional arts of their ancient empire.

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THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

November 10, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS, ^JJERRY DOOLITTLE

SUBJECT: Shah Arrival Talking Points -- Nov. 15

- 36 yrs ago
Iran occupied -
Strong - at peace &
neighbors
Stabilizing
force
1. His Imperial Majesty, the Shahanshah of Iran has met the last seven American Presidents and has visited here more than a dozen times. You and Mrs. Carter were delighted to meet with Her Majesty, the Shahbanou, in July. *Empress Farah*
2. Our countries have had close ties since the difficult days of World War II. At the heart of this special relationship is our mutual interest in the security of Iran.
3. Some 300 American firms are represented in Iran, which has become a major market for U.S. technology and consumer, capital and agricultural goods. For our part, we receive a secure flow of oil from Iran.
4. More than 50 American universities have ties with Iranian universities to help develop the skilled manpower Iran needs. There are more than 30,000 Iranian students in the United States. (The American colony in Iran numbers nearly 40,000.)

Ed help in Iran US students

5. You look forward to cooperating with the Shah on such matters of common concern as: world energy needs; nuclear proliferation; human rights everywhere; food for the world's hungry; a stable world economy; and economic security for countries with narrow economic bases.

6. The great cultural traditions of your country have not been forgotten in the drive toward modernization. Your architectural and archeological treasures are carefully preserved for all. And Iranian art and culture, in which Her Majesty plays such a prominent role, are flourishing once more today.

#

Meeting with Shah of Iran

11/15/77

THE WHITE HOUSE
WASHINGTON

- SALT → world disarmament
- need balance - non-nuclear
- Energy - food - pollution
- Invest/work together - solar etc
- Oceans - minerals & food
- Iran - 1st need help of others
- Many Iran students stay in U.S
- Grand design - Zones of danger in Africa
- to VP Rockefeller - Champion black Africa
- Rhodesia US/GS plan
- Nabibia - one person/vote
- S.A. must Δ
- Horn SU → Ethiopia
- SU & try for Djibouti
- Afghanistan - Daoud → Communists
- Pakistan - divided & weak
- Iran wants to be their window

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THE WHITE HOUSE
WASHINGTON

India should strengthen Pakistan
India is three times
Coop In - Pak - Afghan - India
Malay - Burma - Thai - Singapore -
Indochina + Somalia
Iran a pillar - trusted
by all.

Arab empire - Baath - may unite
Iraq vs Syria

Haven for terrorists - SU arms

SU arms price \approx West

M.9 23 \rightarrow 25 = 5000

S Yemen - play \approx Saudis

Iran/SA - no written understanding

Iran/Egypt - Sadat has courage

Israel coop \approx Arabs?

Is/In - no coop \approx not peace efforts

King Cyrus 1. liberated Jews

No peace, SU \rightarrow M. & E

THE WHITE HOUSE
WASHINGTON

Turks - brothers = stubborn
must give on Cyprus
Turkey must not → See

70% Oil → Europe for Persian Gulf
90% " Japan " " "

- No initiative to oil price

- Denouncing oil companies

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THE PRESIDENT HAS SEEN. a

THE WHITE HOUSE

WASHINGTON

November 11, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE *F. M.*

Attached are two compilations of legislative achievements of the 95th Congress to date. One was prepared by Senator Byrd's staff.

Stu and I are using Brademas' material, plus additional information, to compile our own list of accomplishments. We will be able to make it available to the Cabinet and White House staff within a week or so.

~~I have attached thank-you notes to Brademas and Byrd for you to sign.~~ *Sent / Signed / SC* }

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THE WHITE HOUSE
WASHINGTON

November 15, 1977

Jim Fallows

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

COMPLIATION OF THE RECORD OF THE
FIRST SESSION OF THE 95TH CONGRESS

JOHN BRADEMAS
INDIANA
MAJORITY WHIP

Congress of the United States
House of Representatives
Office of the Majority Whip
Washington, D.C. 20515

Fallows
C

October 31, 1977

Dear Colleague:

The enclosed compilation of the record of the first session of the 95th Congress is a long one that each Democratic Member of the House can point to with justifiable pride.

Our partnership with President Carter has produced a series of accomplishments which, in quality and quantity, are paralleled only by the first year of Franklin D. Roosevelt's Administration, the last time so much major legislation was enacted in the first year of a President's term.

This year's remarkable record will be enhanced when the energy bill conferees complete their work and a fair and equitable energy policy is enacted.

Equally as important as the record is the spirit in which that record was achieved. After almost a decade of acrimony between the legislative and executive branches, we have returned to a relationship marked by trust and cooperation.

As we look back at the past 10 months, it is with a sense of deep gratitude to all of you for your assistance, your encouragement and your diligence. Thank you.

Sincerely,

Thomas P. O'Neill, Jr.
Thomas P. O'Neill, Jr.
The Speaker

Jim Wright
Jim Wright
Majority Leader

John Brademas
John Brademas
Majority Whip

THE WHITE HOUSE
WASHINGTON

November 15, 1977

Frank Moore

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: The Vice President

RE: SEN. MOYNIHAN

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
	/	MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
/		MOORE
		POWELL
		WATSON
		LANCE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

*Frank -
J*



THE VICE PRESIDENT
WASHINGTON

November 9, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: THE VICE PRESIDENT

WJ

SUBJECT: Senator Moynihan

I just talked to Pat Moynihan and relayed your message. He was very pleased. He does not think there's any chance of finding out who is making these statements, but he did suggest that it would be helpful if he were invited down by you to discuss legislative affairs, and maybe at that time you could say something nice. He hoped that it possibly could be next week. You might talk to him about energy, as he's on the conference.

He also asked if I could call Abe Rosenthal of the New York Times to explain our true support for Moynihan and I will do that tomorrow morning.

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THE WHITE HOUSE
WASHINGTON

November 15, 1977

Zbig Brzezinski

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

RE: LETTER FROM CAMILLO STEINER
ON BRAZIL

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	ARAGON
	BOURNE
✓	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

CAMILLO A. STEINER

CAIXA POSTAL, 814 - TELEX 81-1481

FONES: 22-0220 - 22-2802

RECIFE - PERNAMBUCO - BRASIL

THE PRESIDENT HAS SEEN.

*Send:
Copy to Jimmy, zig
and Bob factor
R
3619
J*

Mr. and Mrs.
Jimmy Carter
The White House
Washington, D.C. 20500
U S A

Recife, November 1, 1977

Dear Mr. and Mrs. Carter,

Let me first thank you both for the invitation to stay at the White House as your guests and the unforgettable moments we had during our visit. Janet and I will always treasure the kindness and the courtesy we received.

Apart from the pleasure of being with you, we also valued hearing some of your thoughts on Brazil and being able to give you our own views and experiences which, in the future, may contribute to a closer partnership between our two nations.

Yesterday I went to see Minister Golbery do Couto e Silva, in Brasilia, and had a chance to tell him some of the things we talked about. He was extremely interested, and asked numerous questions.

I have known General Golbery for many years and collaborated with him on Northeast Brazil matters when he was president of Dow Chemical Co., in Brazil. Without any doubt, he is President Geisel's right hand man. He is the Minister I wanted you meet during your next trip.

The following are some of the more important aspects of that conversation. They may be helpful when you meet some of our government officials.

General Golbery was very much impressed with your thoughts that the Brazilian Government may not be fully informed on the latest developments of nuclear technology with which a country could generate nuclear energy without reaching the capacity to produce weapons.

From his remarks I believe that, through him, a new start on the nuclear issue can be made. Brazil will always insist on being self sufficient on the generation of energy, assuring that what occurred with our dependence on others for oil, will not be repeated.

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./..

CAMILLO A. STEINER

CAIXA POSTAL, 814 - TELEX 81-1481

FONES: 22-0220 - 22-2802

RECIFE - PERNAMBUCO - BRASIL

.2

Minister Golbery agrees that both Brazil and the U.S.A. need each other and that the effort to overcome some of the difficulties now existing should be expanded and that your next trip to Brazil could be used for that purpose.

I was glad to hear from him that the answer I gave you on the substitution of General Frota was correct when I said it was a step forward on President Geisel's policy for a gradual return of Brazil to a full democracy.

From our conversation I had the impression that the Government will not demonstrate any embarrassment if you meet with representatives outside the Government area, specially if they are not of the most aggressive opposition. However, a feeling of disappointment would occur, if only for the fact that you will have such a short time in Brazil and the Government officials would like to spend as much time as possible with you.

If you consider important and necessary to meet with representatives of the opposition party and the church, I would suggest that you do it only with the highest echelon. Of course, inviting them to any social events that you may give would cause no embarrassment whatsoever.

In a general way, I think Minister Golbery was very happy to hear some of the things I told him. Basically, the most important thing was what you said about Brazil being as important to the U.S. as the U.S. is to Brazil. From this, many constructive things can be done and I am sure Brazil will do its part.

If I can be in any way part of this effort, I would be more than gratified. It is possible that an informal exchange of thoughts and ideas, directly to those who decide, could be helpful.

Hoping that your trip to Brazil will be successfull and rewarding, Janet and I send you our best wishes and regards,



Camillo Steiner

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11/14/77

THE WHITE HOUSE
WASHINGTON

MR. PRESIDENT

THESE ARE TALKING

PTS. FOR YOUR SESSION

WITH SULZBERGER TOMORROW AT
9:45.

I WILL TELL HIM THE
SESSION WILL BE RELATIVELY
BRIEF.

AS YOU CAN SEE FROM ATTACHED,
HE IS INCLINED TO DO RIGHT
BY US. HE WILL RESPOND
WELL TO YOUR FEELING
THAT WE HAVE NO CHOICE
BUT TO MOVE FORWARD ON
THIS LARGE NUMBER OF

THE WHITE HOUSE
WASHINGTON

CRUCIAL ISSUES DESPITE
THE INHERENT POLITICAL
DIFFICULTIES.

JLP

P.S.

BE CAREFUL NOT TO GET
HEAVILY INTO THE NEGATIVE ASPECTS
OF OUR FAILURE TO COME UP
WITH A PLAN. IF YOU DO WANT TO
MENTION SOME OF THESE, ASK REASONABLY
NOT TO BE QUOTED PERSONALLY
FOR YOU TO BE NEGATIVE ASPECTS WILL
ON HARD NEGATIVE ASPECTS WILL
BE PERCEIVED AS TOO HEAVY-HANDED
BY THE CONGRESS.

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November 14, 1977

TALKING POINTS: OIL AND U.S. NATIONAL SECURITY

--Our dependence on foreign sources of oil is an established fact. We shall have to learn to live with it over the rest of this century at least.

--That problem must be tackled on three different levels: (1) domestically, we must have a sound energy policy to insure that our reliance on foreign oil is minimized as much as possible; (2) we must develop a working relationship with other oil producers and consumers, recognizing that this is truly a global problem and that we are all in it together; (3) finally, we must take what steps we can to protect our economy from the shocks that would be associated with a reduction or interruption of overseas supplies. Let me address each of these briefly:

Domestic Program

--A strong U.S. domestic energy program is the best protection we can develop to avoid excessive dependence on foreign oil.

--Not only will an effective energy program, combined with conservation, reduce the amount of oil we must import, but

--It greatly improves our bargaining power with other nations on oil matters.

--When we go to other nations, such as the oil producers, and ask them to increase production to meet world energy needs, or to hold down prices in the interests of a healthy world economy, they have a right to ask what we are doing on our part as the world's biggest consumer of oil and energy.

--If we have nothing to show these nations except our continuing wastefulness, and if we cannot even demonstrate that we are serious about tackling our energy problems at home, they are not likely to find our calls for restraint on their part very convincing.

Global Aspects

--We are bound together with other oil producers and consumers in a set of interrelationships which makes us all interdependent.

--We rely on oil from abroad, as do many other nations; but the oil producers also rely on us for other products which they need, including agricultural goods, modern technology, and investment markets for the revenues which they earn.

*Saudi
Nigeria
Iran
Venezuela*

--The oil producers realize fully that a weak or unstable international economic system is no more in their interest than it is in ours. The income which they earn is worthless if it cannot purchase goods and services which they need, or if worldwide inflation robs them of the value of their earnings.

--We have been able to work closely with nations such as Saudi Arabia and Iran in moderating the most extreme economic effects of the energy revolution, and we must continue to seek better means of communications and understanding of our mutual interests.

Self-Protection

--The kind of global partnership I have described is the best protection against unpleasant shocks or confrontation, but there are other steps we can take and which we are taking to develop a cushion against reductions or interruptions of oil supplies, for whatever reason.

--Our participation in the International Energy Agency (IEA) is one important aspect of this, where we would share supplies with other nations in the event of an oil cutback. The most important thing here is to establish a framework of cooperation in the event of troubles, rather than leaving each nation to pursue its own immediate short-term interests, which could result in cut-throat competition in which all would lose.

--We are developing large oil reserves as part of our energy program. We are seeking to enlarge these reserves from 500 million to 1 billion barrels of oil.

--This can never eliminate the problem, but it could give us some important breathing space in the event of a supply interruption. For example, a Strategic Petroleum Reserve of 1 billion barrels would permit us to continue functioning at near normal levels for a year or more in the event of a 25% reduction in Arab oil production.

--The existence of such reserves gives us added protection against any possible threats of the use of oil as a political weapon, and thus acts as a deterrent to such actions.

Summary

--In terms of our national security, we must proceed simultaneously on the domestic, the global and the self-protection levels.

--However, these are only short-term adjustments. Ultimately, the energy crisis can only be solved by a major international effort to find and develop alternative sources of energy--nuclear, solar, coal, and other possibilities which are perhaps nothing more than laboratory curiosities at this point.

--We need a sustained program of basic and applied research. If we were able to put a man on the moon within a decade, we are no less capable of applying the full weight of our economic and scientific talents to the search for clean, abundant energy. That is the contribution that this generation must make to the lives of its children and grandchildren.

Mr. Pres.
You can say that you fear
that failure to act will be
perceived as a failure of our
nation and that it seems to
me should be ~~there~~ there with any
details or more specific points not
attributed to you personally.

Panama—and U.S. Policy

By C. L. Sulzberger

WASHINGTON—A great complaint about the previous Republican Administration was that—prior to its utter disintegration during the Watergate scandal—United States foreign policy had been virtually paralyzed by the Vietnam War in every area outside Southeast Asia.

The question now asked abroad is this: Has American diplomacy become so bogged down by arguments over Senate ratification of the Panama Canal treaties that it is becoming ineffective?

Secretary of State Vance categorically denies that there is any justification for such concern. He says worries about the canal treaties' fate are of course considerable; yet they are not mirrored in any delay regarding high-priority diplomatic issues like SALT negotiations, the Middle East or southern Africa.

There are naturally certain long-term discussions which are, have been and will be taking place and whose ultimate resolution nobody can guess with accuracy. Thus, it is impossible to foresee how much time it will require before a final framework for full relations with the People's Republic of China is arranged. But, says Mr. Vance, no artificial delays have been injected by the Panama problem.

As an example of the kind of diplomatic highway that might appear blocked—or detoured—because of the canal argument, one might conjecture that the nasty Greco-Turkish crisis (directly linked to Cyprus) could be affected. This does not, however, seem to be the case. The only immediate reason to stall on this perplexing matter is the Greek election of Nov. 20 when Prime Minister Caramanlis hopes to confirm his parliamentary majority.

It would be foolish for any party to the argument—or any friend of the participants—to make even the gentlest gesture until after that vote. However, Clark Clifford, President Carter's special envoy in this affair, talks of making a new trip to the Aegean region later.

Whether he actually does (because he has recently not been well), Washington remains extremely concerned about the area. It is in close consultation with certain American allies to see if they can't share part of the negotiating burden that seeks to compose NATO's nastiest confrontation.

A similar effort to secure allied cooperation is being displayed with reference to southern Africa. Here again the shadow of Panama seems—at least so far—to have had no slowing effect. Both Western nations and Western private business concerns (European and American) have cooperated and appear to be cooperating

even more to apply pressures on Prime Minister John Vorster to equalize racial opportunities in South Africa.

And certainly the problem of ratifying the canal treaties—delicate and dangerous as it is—has had no effect on the pace or substance of nuclear negotiations, either SALT talks with the Soviet Union or discussions of peaceful atomic problems affecting U.S. friends. The latter category includes West German relations with Brazil and French relations with Pakistan on nuclear reactors.

It was strikingly confirmed that Soviet-American bilateral exchanges on nuclear issues are moving quietly but perceptibly ahead when Leonid Brezhnev signaled willingness to call a moratorium on all tests, including those for peaceful purposes.

Likewise, as reported in a previous column, one urgent reason for President Carter's four-continent journey abroad—now deferred—is to discuss with Brazil that country's reactor contract with West Germany and to discuss with India the complex relationship of that country's own nuclear program with the deal between its rival, Pakistan, and France.

Already—though this has not yet been advertised—United States diplomacy has made considerable advances on this general subject with both Bonn and Paris. Neither capital, despite our urging, has agreed to call off existing sales contracts with Brasilia and Islamabad respectively. Nevertheless, both have given Wash-

FOREIGN AFFAIRS

ington assurances that in the future they will transfer abroad neither sensitive technologies nor sensitive equipment.

Finally, the United States is forging ahead slowly on preliminary talks with the Soviet Union about another SALT accord, despite often savage and sometimes ill-informed arguments in this city about its implications.

What the Administration ultimately seeks is a halt to the present rate of spending in the arms race, a reduction in the number of the deadliest weapons and limitation in qualitative improvement of such weapons. The goal is approximate arms parity between the two superpowers and a consequent decrease in the theoretical likelihood of nuclear war.

Thus, according to Secretary Vance, though the Panama Canal pact ratification prospects seem at least temporarily blocked in the Senate, the progress of major diplomacy in other fields is not.

THE WHITE HOUSE
WASHINGTON

November 15, 1977

Stu Eizenstat
Tim Kraft

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: The Vice President
Frank Moore
Jack Watson
Jim McIntyre

RE: 1978 FEED GRAIN PROGRAM

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

✓	MONDALE
	COSTANZA
✓	EIZENSTAT
	JORDAN
	LIPSHUTZ
✓	MOORE
	POWELL
✓	WATSON
✓	LANCE <i>jm</i>
	SCHULTZE

(2)

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

✓	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

155 3 pages

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

November 14, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT
LYNN DAFT

SUBJECT:

1978 Feed Grain Program

In the attached memorandum, Secretary Bergland proposes a feed grain program for 1978. You are asked to make two decisions:

- (1) Whether to have a set-aside program for corn and sorghum in 1978?
- (2) Of lesser consequence, whether to establish target prices (and a set-aside) for barley and oats in 1978?

These decisions are similar to the ones we faced a few weeks ago when you decided to implement a 20 percent set-aside program for the 1978 wheat crop. However, there are also a couple notable differences. First, the world grain situation (combined wheat and feed grains) has tightened somewhat since we made the decision on wheat in late August. At that time, we expected ending stocks for 1977/78 to be up 16 mmt. We now expect them to be down 5 mmt. Second, the magnitude of the set-aside is not at issue. The only question is whether to have a set-aside of 10 percent or not have one at all. A set-aside of less than 10 percent would have a negligible effect on production; a larger set-aside wouldn't work because practically no one would participate.

These issues have been thoroughly discussed within the Interagency Working Group on Food and Agricultural Policy. As Secretary Bergland indicates in his memo, the Working Group is divided in its recommendations.

We feel that the Department of Agriculture memorandum adequately sets forth the pros and cons on each of these issues. Rather than review them, we would refer you to that memorandum.

We recommend against the set-aside for feed grains for the "con" reasons in the Agriculture Department memorandum .

- Thus, our grain stocks are still precarious and poor weather, here and abroad, could cause the market to tighten and prices to rise very quickly. In that event, set-asides would worsen the inflation impact.
- While there are potentially large budget savings from a set-aside since the government would have to buy less grain, these savings may not come about since the incentive to participate in a feed grain set-aside program is relatively small. The maximum deficiency payment is only 10¢ for corn as against 65¢ for wheat.
- A low rate of participation in a feed grain set-aside program would mean that many farmers would be ineligible for a loan. Should production be high and prices depressed this could lead to very adverse consequences for farmers.
- We are already experiencing difficulty in attracting feed grains into the feed grain reserve we announced in late August, because of the recent strengthening of feed grain prices. If we are to accomplish our objective of accumulating a reserve of 17 to 19 mmt. of feed grains by the end of this crop year and if most of these stocks are to be farmer-held, we should not be adding further strength to the market through imposition of a set-aside.
- With regard to barley we agree with OMB that there should be no target prices and no set-aside. Target prices would encourage barley production, when wheat is a more desirable crop.

As I indicated to you this morning, the Department of Agriculture gave us their memorandum for the first time only this morning.

Since this is a very important issue, I recommend that you make no decision until discussing it at the budget review for the Department of Agriculture tomorrow. There is a potential \$1.3 billion budget decision involved here. You might have the Agriculture people come for the first 15-20 minutes of the budget review so this item can be discussed. It is too close a call and too important a decision to be made without some discussion.

☒

Invite Secretary Bergland and key staff to discuss in opening minutes of budget briefing.

☐

Do not invite.

J

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for Preservation Purposes**



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

November 12, 1977

MEMORANDUM FOR: The President

SUBJECT: 1978 Feed Grain Program

The Law

The Food and Agriculture Act of 1977 requires that I proclaim National Program Acreages for each of the 1978 crops of feed grain, and decide if a set-aside of cropland is required, by November 15. National Program Acreages are those needed to satisfy domestic and export requirements and keep stocks at a desirable level.

The Food and Agriculture Act of 1977 further requires that target prices be established for corn and sorghum, but it makes target prices discretionary for barley and oats.

If the total supply of feed grains in the absence of set-asides will be excessive "taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency," set-asides are required.

How the Program Operates

Participation in a set-aside program is voluntary but those who decide not to participate are ineligible for price support loans or deficiency (target price) payments. Those who participate must "set-aside" an acreage equal to the set-aside percentage times the acreage they plant for harvest in 1978. A cross-compliance provision ensures that if a farmer does not participate in the set-aside, he is ineligible for loans and payments for other crops.

Decisions

When we decided to have a 20-percent set-aside for 1978 crop wheat in late August, we were tentatively thinking of a 10-percent feed grain set-aside, with the decision to be made after 1977/78 crop conditions became more fully known.

There are two decisions to be made by November 15:

1. Whether or not there should be a set-aside program for corn and sorghum in 1978.
2. Whether there should be target prices for oats and barley and, if so, whether there should be set-asides in 1978.

World Grain Situation

Wheat and coarse grain stocks at the beginning of the 1977/78 marketing years were 170 million tons, up 58 million from the previous year, and the largest since the summer of 1970.

The current estimate of world production is 1,066 million tons, a drop of 38 million tons. This places world supply at 1,236 million tons, up 20 million from last year.

The world 1977/78 consumption requirement is estimated to be 1,071 million tons, up 2.4 percent, and 5 million tons more than production. This implies world stocks will be 165 million tons at the beginning of the 1978/79 marketing year.

The world wheat and feed grain situation
summarizes as follows

Item	: 1974-75	: 1975-76	: 1976-77	: 1977-78 <u>1/</u>
Beginning :				
stocks :	125	115	112	170
Production:	<u>977</u>	<u>983</u>	<u>1,104</u>	<u>1,066</u>
Supply :	1,102	1,098	1,216	1,236
Utiliza- :				
tion :	987	986	1,046	1,071
Ending :				
stocks :	115	112	170	165
Trade :	128	143	144	151
	--Dollars per ton--			
Wheat :				
price <u>2/</u> :	189	178	137	<u>3/120</u>
Corn :				
price <u>4/</u> :	143	129	119	92

1/Estimates based on reported conditions as of November 11. 2/U.S. No. 2., hard Winter, CIF, Rotterdam. 3/October 11, 1977, price. 4/U.S. No. 3 yellow, CIF, Rotterdam.

There has been a 3-percent drop in the world grain production estimate and a 17-percent drop in the estimate of ending stocks since the wheat set-aside decision was made in August, almost entirely due to a 31-million ton reduction in the Soviet crop estimate. Actual production in the Soviet Union will not be known until after January 1, but their preliminary estimate (early November) normally is within 2 to 3 million tons of the final.

World Coarse Grain Situation

World coarse grain stocks at the beginning of the 1977/78 marketing year are estimated at 71 million tons, up 19 million from the previous two years. Production is indicated to be down nearly 6 million tons, the consequence of a 25-million ton reduction in the Soviet Union and a 19-million ton increase in the rest of the world.

The world consumption requirement is expected to be only up slightly, mainly due to greater use of wheat in the USSR. Current estimates show world production to be in excess of the consumption requirement by 8 million tons. World coarse grain stocks are expected to rise by that amount, bringing them to nearly 80 million by the beginning of the 1978/79 marketing year.

The world coarse grain situation summarizes as follows:

Item	: 1974/75	: 1975/76	: 1976/77	: 1977/78
Beginning stocks	56.2	52.4	52.2	71.4
Production	620.4	634.4	690.4	684.6
Supply	676.6	686.8	742.6	756.0
Utilization	624.2	634.4	671.2	676.2
Ending stocks	52.4	52.2	71.4	79.8
Trade	63.7	76.4	82.6	80.0

The Domestic Situation

U.S. coarse grain production this year is in excess of 201 million tons, a record high. This is 13-14 million more than we expect will be used domestically and exported. Stocks are predicted to rise to 43.5 million metric tons by the beginning of the 1978/79 season, the largest since the summer of 1972, in either absolute quantity or as a percent of consumption (see table 1 attached).

Farm Income

Feed grain prices have dropped significantly from the 1973-76 average. Farmers received \$1.60 and \$1.61 a bushel for corn sold in September and October, but prices are now closer to the \$2.00 per bushel market support price. With large grain supplies, prices are expected to average near support levels for the 1977/78 season.

Issues

There are two major issues:

1. Whether or not to have a set-aside for corn and sorghum in 1978?
2. Whether or not to have target prices for barley and oats and, if so, whether to have a 1978 set-aside?

Set-Aside for Corn and Sorghum 1978

If we are to have a set-aside for these crops, it is proposed that it be 10 percent for both. A smaller set-aside is thought to be impractical and a larger set-aside unworkable in that few farmers would participate.

The major effects of a set-aside are summarized in table 1. The difference in production between a set-aside or no set-aside is estimated to be seven million tons, 3 percent of U.S. production and one percent of world coarse grain production. Adoption of a set-aside is expected to result in a 4-million ton difference in U.S. stocks, or 5 percent in total world coarse grain stocks. Given this relatively negligible impact on production, it is not expected that farm or food prices would be affected much during the first year, unless weather is bad.

The major source of instability in world grain production is the weather. The ratio of ending world coarse grain stocks (minus the USSR) to world consumption offers a useful summary of the potential impact of poor and good weather on stocks and prices. This ratio is plotted through time (chart 1) and against season average price in 1972 dollars (chart 2).

As chart 1 shows, the ratio of world grain stocks to consumption has risen significantly from the very low levels of 1973/74 and 1974/75. Only with the event of poor weather throughout the world could this ratio be driven back to the low levels of that time. Conversely, good growing weather around the world will result in a sharp rise in the ratio.

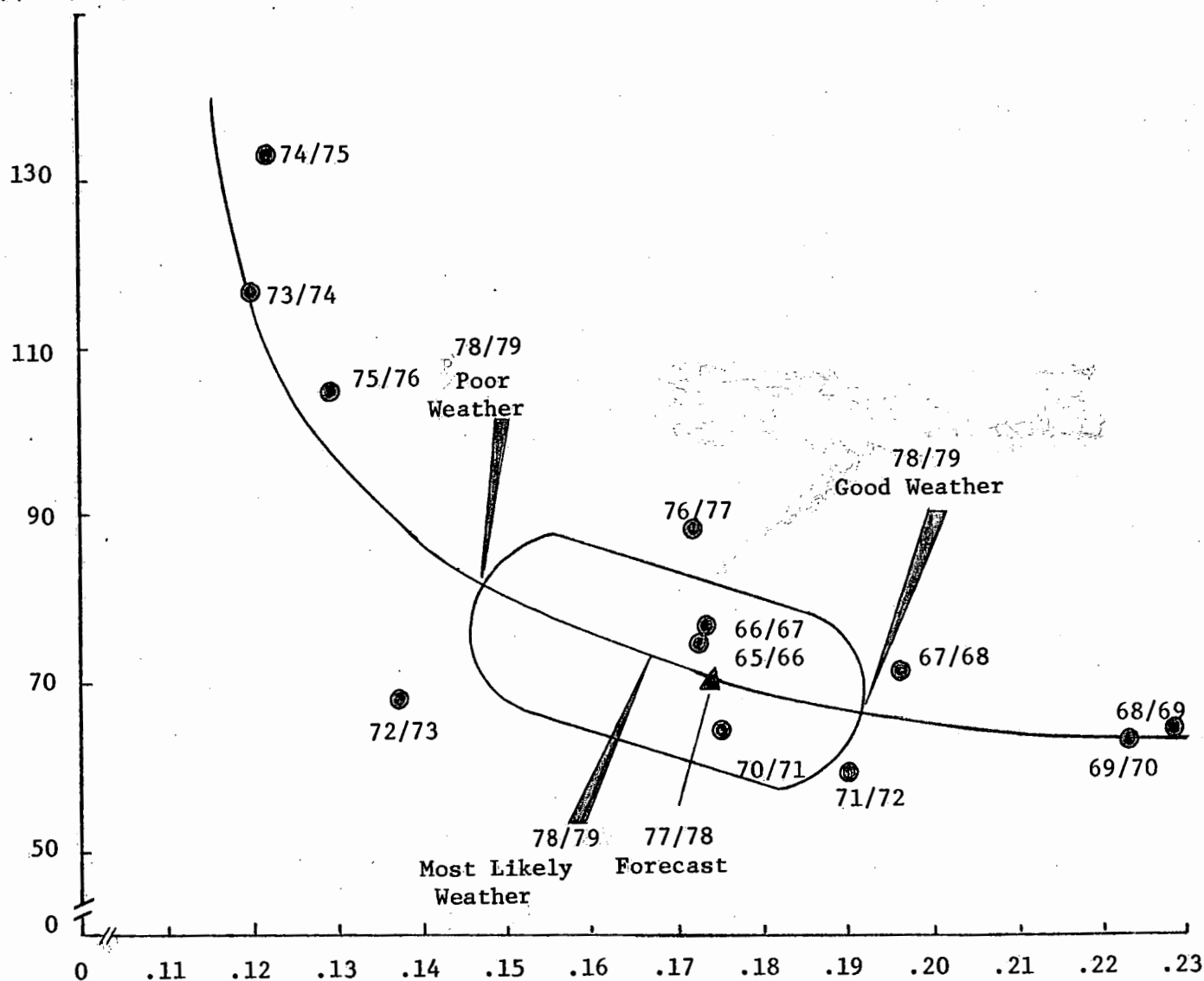
With poor weather, U.S. coarse grain stocks could be drawn down 7 to 10 million tons by the end of the 1978/79 season. With either "most likely" or good growing weather, U.S. coarse grain stocks are predicted to increase. Estimates put stocks with "most likely" conditions at 53 million tons in the absence of set-asides and 49 million with set-asides. With good weather stocks could rise to around 70 million tons.

Chart 2 shows the price implications of the alternative weather possibilities. USDA estimates that corn prices would be \$2.30 to \$2.35 per bushel with a set-aside and "poor weather," 5 to 10 cents above the no set-aside price. But with "most likely" weather, prices would remain near the \$2.00 support level. With good weather the price is expected to be around \$1.75 a bushel with or without set-asides.

Federal outlays would be about \$1.35 billion lower with a set-aside, though about half of this saving would be a result of reduced loan activity. With bad weather, budget costs would be sharply lower under either option, though it would be \$600 million lower with a set-aside in effect (see table 1).

As was agreed when we decided to have a 20-percent set-aside for 1978 crop wheat, a 17-million ton feed grain reserve will be in place prior to the beginning of the 1978/79 marketing year. As is shown in table 1, this remains intact through the 1978/79 year unless there is a set-aside, and weather is bad.

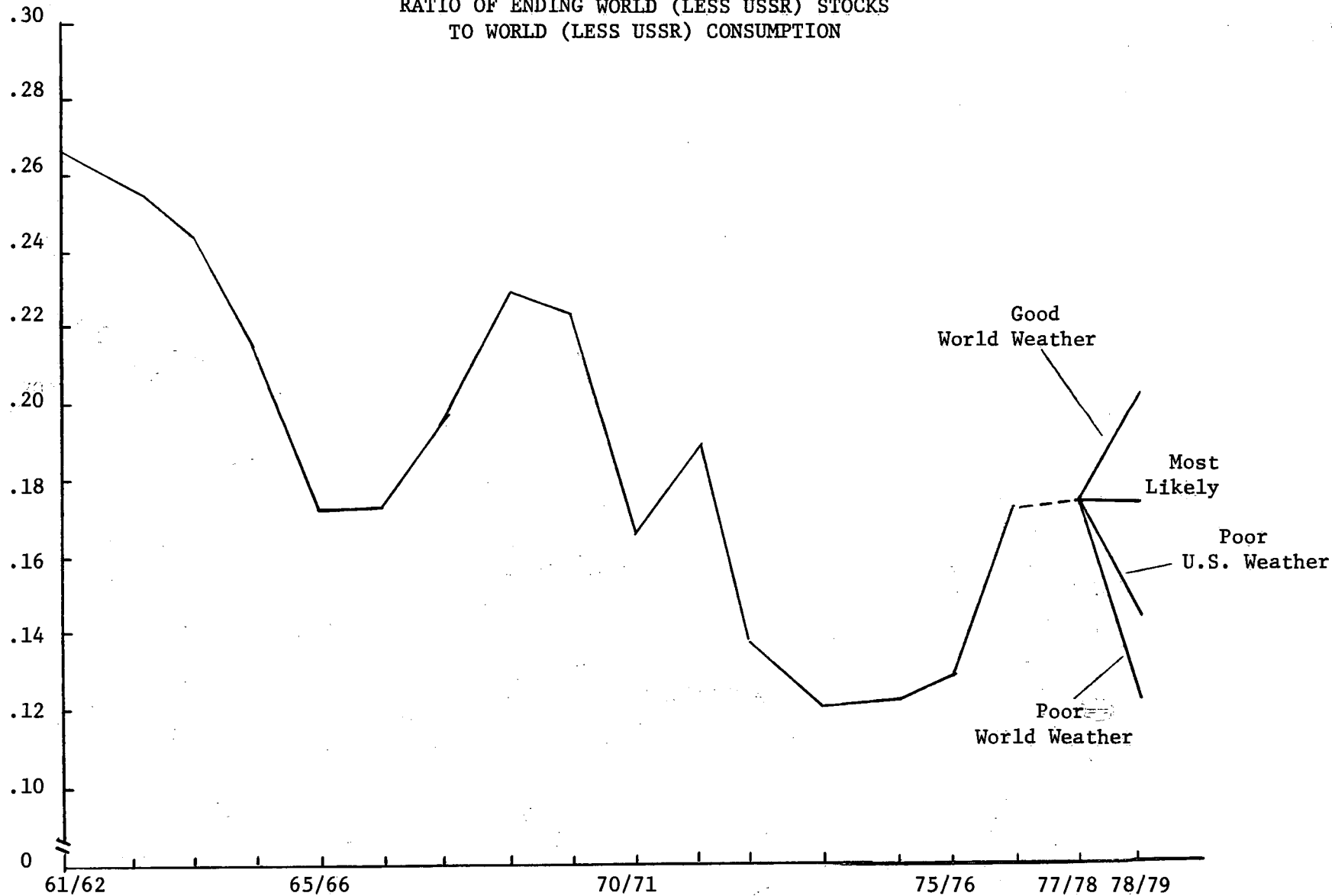
Price
(1972\$/MT)



RATIO OF ENDING WORLD STOCKS TO WORLD CONSUMPTION
(Excluding the USSR)
WHEAT AND COARSE GRAINS

Ratio
(Stocks/Consumption)

RATIO OF ENDING WORLD (LESS USSR) STOCKS
TO WORLD (LESS USSR) CONSUMPTION



Evaluation of the Options

The major arguments for and against a set-aside are as follows:

Pro:

- o An increase in our feed grain stocks over the current year is assured, and another increase in stocks over the 1978/79 season is the "most likely" prospect.
- o Most feed grain producers expect a set-aside, based upon the belief that the government should take some action to help bring supply and demand into better balance, and will be disturbed if there is no set-aside.
- o Feed grain prices are low, a reflection of the trade's judgment that supplies and stocks are excessive.
- o The feed grain reserve of 17 million tons will be in place prior to the beginning of the 1978/79 season, and will be available to protect against an extreme rise in prices.
- o Even with set-asides and bad weather our feed grain stocks at the end of the 1978/79 season would be 50 percent greater than at the end of the 1974/75 and 1975/76 seasons.
- o Budget outlays would be reduced at least \$1.0 billion with a set-aside, but about one-half is due to increased loan receipts.
- o A set-aside could be interpreted as a signal that the United States will not be the granary for the world.
- o Most of the major farm organizations favor a set-aside.

Con:

- o Returns to feed grain producers, including government payments, are reduced about 10 percent with set-asides, under the "most likely" scenario.
- o Although most producers expect set-asides, we expect participation by corn producers will be low, especially if market prices are near the 1978 target price of \$2.10 a bushel. The production effect of a set-aside would then be small and since few producers would be eligible for loans and payments, good weather could mean feed grain prices well below the loan level.
- o Feed grain stocks of 45 million tons at the beginning of the 1972/73 marketing year were not large enough to prevent a sharp increase in grain prices, even though world production in 1973/74 was record high. The 17-million ton reserve offers protection against extreme price rises; there is the possibility that our stocks may not be adequate to protect our image as a reliable supplier.
- o While there appears to be adequate protection for 1978/79 an additional bad weather year in 1979/80 would lead to high grain prices and rapid food price inflation in subsequent years.
- o World hunger interests may view set-asides negatively.
- o Some farm interests oppose set-asides.

Interest Group Positions

- o The National Corn Growers Association opposes set-asides.
- o The Grain Sorghum Producers Association supports a 20 percent set-aside for corn and sorghum.

- o The National Farmers' Union, in response to the Federal Register request for comment, recommended a 20-percent set-aside for all feed grains. Personal conversation with President DeChant indicates some reservation based on fear of low production. He affirms that NFU is not officially opposed to a set-aside.
- o The American Farm Bureau indicates support for a higher than 10 percent set-aside for feed grains, and for diversion payments on set-aside acres to insure the effectiveness of the program.
- o The National Farmers Organization supports a feed grain set-aside and advises that if a set-aside decision is made they will announce support for it.

Agency Positions

CEA is opposed to a set-aside for several reasons:

They point out that the "poor weather" possibility puts the world stock to consumption ratio at a "danger point" of 14 percent (chart 2), which could expose the economy to two problems: (1) The additional 25 to 30 cents price per bushel increase would make it more difficult and costly to accumulate the 17-million ton feed grain reserve to which the Administration is committed to have by the end of the 1977/78 season; and (2) a second year of bad weather worldwide would push prices sharply upwards toward 1973/74 levels, with the accompanying negative impact on the food CPI and livestock farmers.

They feel that the good weather possibility also presents a danger. With a bumper crop, prices would fall and since most farmers would not have participated in the program they have no income support protection through the loan and deficiency payment provision of the program.

The budget outlay savings estimated under a set-aside program do not fully reflect the total budget impacts of the set-aside option.

State opposes set-aside. It agrees with the position outlined by CEA and emphasizes the concern expressed by CEA about the possibility of bad weather two years in a row. State disagrees with the view expressed by STR that a set-aside could have a positive impact on the MTN. State believes a set-aside action will lead other exporters to conclude that the U.S. will bear the burden of adjustment to fluctuations in world markets, and undermine willingness to participate in multi-lateral solutions. In order to meet U.S. export obligations as a reliable supplier, State believes the U.S. must carry stocks in excess of 40 million tons.

NSC opposes a set-aside program. They concur with the arguments put forth by CEA and State. In addition, they point out the importance of adequate grain stocks in relation to longer term as well as emergency hunger problems and believe that U.S. stocks will not be excessive even with good weather.

Treasury opposes a set-aside program because of the potential inflationary impact of crop shortfalls. They feel that USDA estimates of the potential price impacts of bad weather are understated. They also agree with CEA that bad weather could make it difficult to accumulate the 17-million ton reserve and support State's argument that the U.S. must hold stocks in excess of 40 million tons.

OMB favors a set-aside. Budget estimates for price support programs, which have always assumed appropriate set-aside levels, have already ballooned far beyond Administration expectations. Not to have one under circumstances where the impacts elsewhere in the economy appear small, would mean adding budget outlays of over \$1 billion to the totals we are currently carrying for this function. In proclaiming the set-aside, we should stress the reversability of the decision prior to planting time, if conditions warrant.

Peter Bourne's Office supports a set aside on the condition that a reasonable proportion of the budget outlays saved would be used for an emergency food aid reserve for the LDC's.

STR would like to bring attention to the fact that the set-aside decision could have a positive effect on trade negotiations, but that this should not be an overriding concern on which the decision is based.

My Recommendation

I recommend that we announce a conditional set-aside program of 10 percent for corn, 10 percent for sorghum, and 10 percent for barley. The supply-demand estimates do not give me a clear signal one way or the other. If we announce no set-asides now we cannot decide to have them later. Announcing set-asides now gives us the opportunity to revoke them in the spring if conditions so warrant.

Before farmers plant their 1978 feed grain crops we will know more about world 1977/78 production and consumption. We will have a planting intentions report from farmers late in January. I can ask that the farmers responding to the planting intentions survey be asked their intentions with respect to participation in a set-aside program.

There is a political risk associated with this recommendation. If we announce a set-aside but pull it back early next year we run the risk of being criticized for doing so just when prices have started to recover.

I believe there is the need to take a more careful look at our stock policies. We may find that 40, or even 50 million tons is not enough to make sure we can always be a reliable supplier. But large stocks will keep farm prices depressed and below production costs, unless they are placed in a reserve with clear rules for their release back into the market. I recommend such a review be undertaken soon, so that by early next year we will have a firmer foundation for decisions.

Decision

Corn and Sorghum Set-Aside

☒ Set-aside (USDA, OMB, Peter Bourne's office)

☐ No set-aside (CEA, State, Treasury, NSC)

Should there be a target price for barley and oats and, if so, should there be a set-aside in 1978?

The Food and Agriculture Act of 1977 requires that target prices be established for corn and sorghum but makes target prices discretionary for barley and oats. The Working Group recommends that there be no target price or set-aside for oats. I agree.

There is disagreement, however, as to whether there should be a target price and set-aside for barley.

Barley's inclusion in the feed grain program has been discretionary since the payment-type programs were established in the early 1960's. Those favoring a target price for barley point out that, (a) except for three years, barley has always been included in the feed grain program; (b) since 1973, when target prices were legislated, we have had a target price for barley each year. Therefore, it is argued that farmers expect barley to be included in the program. A target price for barley in 1978 (with no set-aside requirement) would:

- o Involve budget outlays of \$50 to \$100 million.
- o Involve payments to farmers of about \$175 million.
- o Mean higher barley acreage, about 2 million acres, with offsetting decreases in wheat (1.5 million acres) and oats (0.5 million acres).

If a target price is established for barley, a decision must then be made whether or not to require a set-aside for barley--even if none is required for corn and sorghum. Barley competes for acreage directly with wheat in the Northern Plains. A barley target price with no set-aside requirement, in conjunction with the 20 percent set-aside for wheat already announced, would encourage farmers to shift some acreage from wheat to barley. A set-aside would be required to avoid this. A 10 percent set-aside would:

- o Reduce total grain plantings about 0.75 million acres.
- o Increase wheat plantings by about 0.25 million acres.

- o Reduce total grain production by about 0.5 million tons.
- o Slightly reduce budget outlays and farm income.

I recommend a target price and conditional 10 percent set aside for barley. The target price should be based upon the same components of cost as we use in establishing target prices for wheat, corn, cotton, and sorghum. I notified the Congress when the bill was under consideration that this was my interpretation of the applicable provisions in the bill, and the Conference report on the bill agrees with this interpretation.

Barley Target Price and Set-Aside

- ☐ Target price and set-aside (USDA).
- ☐ Target price, no set-aside.
- ☐ No target price and no set-aside. (OMB).
- ☐ Set-aside and no target price

NOTE: CEA, State, Treasury, and NSC have no position on the barley target price; NSC, State, and CEA do not favor a barley set-aside.

BOB BERGMANN
Secretary

Bob Bergmann (Jan.)

Table I Feed grains: Supply and use most likely and weather alternatives, 1977-79 crops

Item	Actual						Estimated:					
							1978/79					
							10-10-20 1/			No set aside		
	1972/73:	1973/74:	1974/75:	1975/76:	1976/77:	1977/78 :	Bad	Most	Good	Bad	Most	Good
							weather:	likely:	weather:	weather:	likely:	weather
Supply (mil. metric tons):												
Beginning stocks	45.4	30.7	21.5	15.2	17.3	29.9	44	44	44	44	44	44
Production	181.4	185.9	150.0	184.4	192.7	201.3	181	196	211	188	203	218
Total supply 2/	227.2	216.8	171.9	200.1	210.3	231.4	225	240	255	232	247	262
Disappearance (mil. metric tons):												
Domestic use	157.4	155.0	120.9	132.8	129.9	137.5	139	144	145	141	145	147
Exports	39.1	40.4	35.7	50.0	50.4	50.3	52	47	42	54	49	44
Total	196.5	195.4	156.7	182.8	180.3	187.9	191	191	187	195	194	191
Ending stocks (mil. metric tons)	30.7	21.5	15.3	17.3	30.0	43.5	34	49	68	37	53	71
Free						26.5	21	32	51	20	36	54
Reserve						17.0	13	17	17	17	17	17
Corn price	1.57	2.55	3.03	2.54	2.28	2.00-2.20	2.30	2.00	1.75	2.25	2.00	1.75
Government expenditures (mil. dol.):												
Deficiency payments						534	100	558	558	234	1,089	1,089
Set aside payments												
Disaster payments						264	160	109	80	255	180	140
Storage payments						152	135	152	152	152	152	152
Loan and inventory						1,213	225	512	750	565	1,259	1,800
Total						2,163	620	1,331	1,540	1,206	2,680	3,181

1/Percentage order is for corn, sorghum, and barley.

2/Includes imports.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

EYES ONLY FOR THE PRESIDENT

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THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

EYES ONLY

November 14, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze CLS

Subject: Industrial Production in October

The Federal Reserve Board will release tomorrow (Tuesday, November 15) at 4:00 p. m. its estimate of industrial production in October. The news is relatively disappointing.

Total industrial output increased 0.3 percent in October,
a fairly small rise. There were a few areas of strength:

- . Auto production is rising at a good clip, as producers are building inventories of new models.
- . Output of construction products continues to reflect increases in homebuilding.
- . Mining showed a good increase, possibly reflecting stockpiling in expectation of a coal strike.

In most sectors, however, industrial output last month showed only modest gains. Steel production declined. Output of business equipment rose only a little, but this partly reflects strikes at aircraft plants (Boeing and Lockheed).

We have yet to see concrete signs of the pickup in production and employment we expect in the fourth quarter. October retail sales were good, however, and we may see some reflection of the recent improvement in consumer buying in the November production and employment developments.

THE WHITE HOUSE
WASHINGTON
November 15, 1977

Hamilton Jordan

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

RE: "THE PUBLIC LOOKS AT PRESIDENTS"

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
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	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
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	SCHNEIDERS
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	WARREN

THE PRESIDENT HAS SEEN

THE WHITE HOUSE

WASHINGTON

November 2, 1977

Send to Jimmy

MEMORANDUM TO MRS. ROSALYNN CARTER

FROM: PETER BOURNE **P.B.**

Home info J

To follow up on our conversation of last week, I thought the attached poll material might be of interest to you.

It shows in effect that Presidential popularity polls essentially follow the same pattern with minor variations for all President's and have little or no bearing on the real caliber of the Presidency, the true quality of the leadership or the President's eventual position in history.

PGB:ss

Attachment

**Electrostatic Copy Made
for Preservation Purposes**

The Public Looks at Presidents

Thirty Years of Polls

Now that the 1968 election is behind us, and Richard Milhous Nixon has been chosen the best man in the land, this may be the time to ask a quiet question. Partisan passions aside, what does the public really want in a President? What qualities does it respond to, what kinds of action stir its approval? How does a President win or lose popular support? In short, what is the alchemy of Presidential leadership?

Most political polls, unfortunately, are not designed to answer these questions. They are commissioned mainly for more pedestrian purposes, in particular to measure who's ahead. When they probe more deeply, they still tend to concentrate on the specifics of why Candidate A is more popular than Candidate B and what Candidate B can do about it. But more illuminating survey data does exist. We have, for example, a 30-year record of the ups and downs of Presidential approval (see graph on page 2) — more from the Gallup Poll than the Roper Poll, the latter having concentrated less on amassing trend data than on probing specific elections. There are also other surveys which have explored varied facets of Presidential leadership. If one reads between the percentages, this cumulative survey data does offer insights into what the public seeks in a President and reveals some characteristic patterns of public response.

The most obvious pattern the trend data reveals is that when a President takes office, he has nowhere to go but down. A winning candidate has been successful in building voter support and starts his term with something approaching a consensus. As he takes office, he is the focus of the nation's hopes. Since he hasn't done anything yet, there is nothing to criticize him for, and those hopes can become pretty expansive. In a sense, Presidential elections are quadriennial myth builders which every four years make voters believe some man is better than they later conclude he really is. The President takes office with most

of the nation on his side, but this artificial "unity" soon begins to evaporate.

The chart also shows that in nearly every term, the lowest ebb of approval is within a year of the end of the term. In the last few months of a term, a President's approval rating tends to start back upward again. There are several reasons for this final upward turn. In mid-term a President is judged against the earlier inflated hopes as well as against the deficiencies of the state of the nation. As the next election approaches, he is compared to flesh and blood alternatives. The "anyone but him" sentiment tends to fade as people realize who the "anyone but's" are. Then, if he is running again, he has already started his new campaign and is consensus-building once more in the last months of his term. If, on the other hand, he is not running, there tends to be a mellowing toward him, a forgiveness for his mistakes or inadequacies, a nostalgic sense that he is perhaps "not so bad after all."

The final observation is that this "strong at the beginning, weak towards the end" pattern repeats itself in the second term — but at a lower level of approval. A President who has won a second lease on the White House has rebuilt his popular support and is again in the nation's good graces. But memories linger, and some still hold his first-term track record against him, so he usually starts at a lower level the second time around. Thus the curve of Presidential approval traces a swing from hope to disillusion and back to hope again, with a generally declining trend over each Presidency. It makes it clear that the Presidential 100-day "honeymoon" is no myth, but a very real phe-

nomenon. A President takes office with a reservoir of support and goodwill which almost inevitably drains away. This suggests that his support should be used rapidly at first, and later, when approval becomes more precarious, that Presidential emphasis should shift to conserving what remains and to using it judiciously for programs of high priority. Toward the end of a term, gathering support is again the order of the day. The reservoir must be refilled for another season of political leadership.

This is not, of course, to say that no matter what, all Presidents are doomed to the same downward curve of public approval. Each President has "highs" and "lows" that mark the unique interaction of the man and the events that take place during his term of office.

Let's look at the Presidential "highs." The four highest points on the chart — approval ratings of 80% or more — are these: Roosevelt after Pearl Harbor 86%; Truman just after Roosevelt's death 87%; Kennedy following the Bay of Pigs 83%; and Johnson directly after Kennedy's assassination 80%. Each of these situations bears obvious similarities to one — or all — of the others. 1. On two occasions the death of a President created a new chief executive overnight — and evoked the nation's sympathy and support for the man assuming new and terrible responsibilities. 2. The "highs" of Roosevelt and Truman were gained against a background of the peril of war — a factor which may also have contributed to Kennedy's peak after the failed Cuban invasion. 3. Except for Roosevelt (for whom there is no measurement just after taking office for the first time in 1932), all the "highs" came at the beginning of a term, the time that seems to lend itself to sentiments of unity. 4. And all four represent the rallying of the public behind a President in deep trouble. Clearly, the public gives its most solid support, not in triumph, but in tragedy.

(continued on page 2)

ON INSIDE PAGES

The 1968 Polls 3
Whiskey By Any Other Name ... 4

Other, lesser "high" have come in several kinds of situations. 1. The Presidential curve of approval has usually risen during international crises, often following strong action by the President — for example, the start of the Korean War, the U-2 incident, the Cuban missile crisis, and the dispatching of troops to the Dominican Republic. 2. It also has gone up following a success in international relations, whether that success has been a new program, a strong speech, or even something good that happened somewhere in the world without any participation by the President. Upward spurts of approval for Truman followed the enunciation of the Truman Doctrine for Greece and Turkey and the announcement of the Marshall Plan. Approval of Eisenhower rose after the Korean war ended; it also went up after the 1954 truce in Indo-China, with which he had nothing to do. Eisenhower's standing also rose after his first Geneva summit conference, at which he offered a policy of "Open Skies," as well as after his "Atoms for Peace" speech at the UN. 3. And the start of a second term, as well as the previously noted start of a first, has generally elicited a jump in approval (Roosevelt, Truman, Eisenhower).

The Presidential "lows" show a rather different pattern of public response. While a crisis in the international arena is likely to elicit approval, a crisis on the domestic scene is more likely to reflect discredit on the President. Truman found that out when he nationalized the railroads to settle a strike, and Eisenhower discovered the same thing when he sent troops to Little Rock.

But the typical pattern of the "lows" is less one of sudden drops due to a reaction to dramatic events but rather of general downward trends during unfavorable situations — domestic or for-

eign — which continue over a period of time. After Truman's initial peak when he took office, he suffered severely as a result of postwar strikes and shortages, inflation and general restlessness. Later, as the public grasped that the Korean War was not to be quickly won, the support given to Truman's decisive entry into that war was gradually withdrawn. Eisenhower did lose support as a result of specific events, such as the Army-McCarthy hearings, Dienbienphu, the Supreme Court school integration decision, and Sputnik. But he hit his "low" in public approval from more general causes: a second term recession and the unemployment and falling farm prices that went with it. Kennedy's low point came shortly before his death in 1963, following a summer of racial turmoil and violence. And Johnson, like Truman before him, has seen his approval ebb away during the long, inconclusive involvement in Vietnam.

So this is what the ups and downs of Presidential approval tell us: an international success will give a President a boost in public esteem. So, in most cases, will an international crisis — even if it was of his own making. (Kennedy's success in the Cuban missile crisis did not do as much for his rating as the initial Cuban disaster.) But if the crisis goes on too long, the approval curve will drop. On the foreign scene, the public clearly wants strong, decisive action from the President.

On the domestic scene, however, the public tends to be leery of Presidential intervention. In fact, domestic events tend to hurt the President whatever he does about them. He is damned if he does and damned if he doesn't. What the public apparently wants is a President strong enough to protect the nation from foreign peril but not so strong as to threaten its domestic liberty. (The

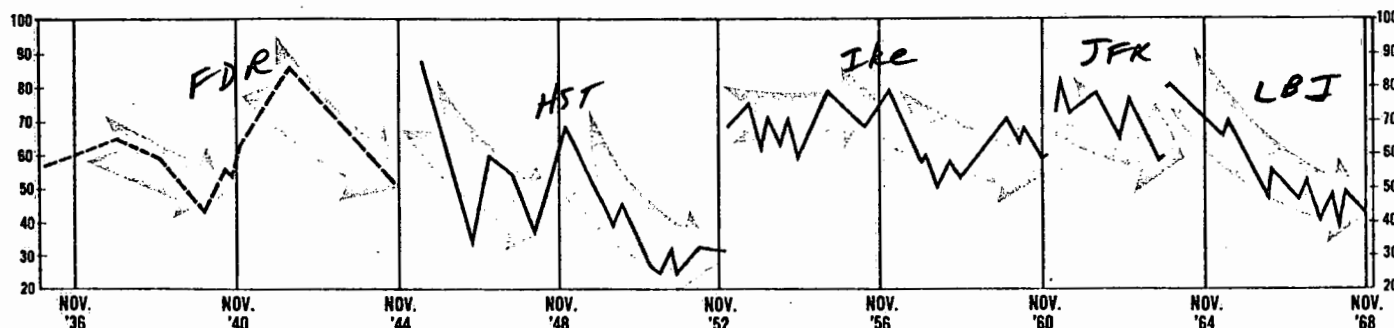
New Deal era seems to be an exception to this rule. But while the nation eagerly accepted Roosevelt's remedies during the depths of depression, as soon as things improved a little, people began to worry about further extensions of the New Deal and to fear that Roosevelt was assuming too much power. This anxiety over Roosevelt's personal power was largely responsible for the Constitutional two-term limit passed shortly after his death.)

The curve tells us something else; that much of the ebb and flow of popular support results not from actions of the President, but rather from events beyond his control. The public tends to rally in a crisis but also tends to blame the President for such ills as inflation, recession, domestic disorders, and drawn-out wars. In short, there is little point to a President pulling polls out of his pocket to prove he is doing well — any more than there is for him to poke into the back of the drawer those that indicate he's doing poorly. Fluctuations in public response may mean a number of things, but they are something less than rational evaluations of a President's performance.

However, the polls also shed light on deeper dimensions of Presidential leadership. Asked directly about the qualities and qualifications of a President, the public usually answers that he should be intelligent and college educated but is less sure that he should be a scholar or intellectual. Not surprisingly, most people feel he should have political experience; but even more think he should be a regular churchgoer.

But the quality that polls over the years have shown to rate over any of these qualifications is the personal quality of honesty. The public wants a leader whose words it can believe, whose intentions it can trust. This indicates the seriousness of the charge against a Pres-

A WORD ABOUT THE CHART — The chart from 1936 to 1944 is based on answers to a variety of questions asked by the Roper organization designed to measure the public standing of the President. The figures from 1945 to 1968 are the percentages of Presidential approval derived from this question regularly asked by the Gallup organization: "Do you approve or disapprove of the way (the President) is handling his job as President?" (All data available at the Roper Center at Williams College.)



ident-of a "credibility gap." Since most people cannot follow all the intricacies of policy; since for many, the issues before the nation are hopelessly complex; since Americans rarely rely on ideology to make their choices for them and tend to vote more for a man than a party; they look *most of all* for a candidate in whose character and personal qualities they can rely on for wise leadership.

(An illustration of the public's priorities came from the profile it gave Adlai Stevenson when he was running for President against Eisenhower. Stevenson was considered to be an extremely intelligent man, with good experience for the job and belonging to the right party. But it is worth noting which descriptive phrase came out at the bottom of the list. Compared with the 45% who called him "a man of really high intelligence," only 17% said he "inspired confidence.")

This does not mean that issues do not affect Presidential choices. No candidate could have been elected this year who did not offer to extend his best efforts to making peace in Vietnam. Making and keeping the peace has long been a major priority of the American public and a key determinant of votes. On the broadest questions of national policy, the public wants to know where a candidate stands and is certainly influenced by that knowledge. But lesser issues may be more complicated, a candidate's stand agreeable on some but not on others. So most voters tend to take the details on faith. Besides, voters only get a chance to record their support once every four years, and then only on the basis of what a candidate is saying at the time. They have to hope he means it, and that he knows how to carry it out. There was a good deal of dismay among voters for the anti-escalation Johnson of 1964 when the bombs started dropping in 1965.

It can be said, then, that a President faces certain inherent patterns of public response. No matter how hard he tries, he is likely to face an erosion of support over time, and he stands to get blamed for misfortunes he did not bring about. He can count on the nation's support in an hour of crisis, but not necessarily its gratitude for a job done as well as he is able during unpropitious times. The public will not always agree with his policies, understand his proposals, or support his programs. But if they have faith in him as a man of honesty and character and as a leader of decisiveness and strength, who in a general way shares their vision of the good national life, they will give their support.

So far this article has discussed only the public's view of the President. Yet

How The 1968 Polls Fared

Much has been said about how accurate "the polls" were in last fall's Presidential election. A comparison of the final results of the three nationally conducted published polls with the actual election outcome is instructive:

	Election Results	Gallup Poll Oct. 31-Nov. 2	Harris Poll Nov. 1, 2	Harris Poll Nov. 3	Sindlinger Poll Nov. 4
NIXON	43.5%	43%	42%	41%	37.1%
HUMPHREY	42.9	42	40	45	40.2
WALLACE	13.6	15	12	14	11.6
Don't Know (Refusal, etc.)		(Undecided Allocated)	6	(Undecided Allocated)	11.1

NOTE: The dates shown are dates of interviewing.

The performance of the Gallup Poll was superb — once again. It was almost exactly right on Nixon, whom it had shown to be on a steady plateau all through October. It was a point low on Humphrey, but understandably since the Gallup Poll had shown him coming up sharply during October. Similarly it was a touch high on Wallace, but only by a point and a half, and again understandably high since it had been showing Wallace on the decline. The "error" in the Gallup Poll was substantially less than the approximately three point sampling error that most polls allow.

The Harris Poll in its final report showed a Humphrey lead of 4 percentage points. (The Harris Poll of one to two days earlier indicated a Nixon lead of 2 percentage points — an indicated 3½ million vote change in twenty-four to forty-eight hours.)

The Sindlinger Poll, conducted by telephone, also indicated a Humphrey lead of 3 percentage points.

While it is clear that the three published polls did not perform with equal accuracy, nevertheless they did have in common the fact that they showed Humphrey *badly* behind in early Octo-

ber, they showed him gaining *fast*, and they indicated the final outcome would be *close* — which it was indeed.

What more can be said about the performance of the polls? The Sindlinger Poll, with its large undecided and refusal percentage, underscores the difficulty of trying to do election surveys by telephone. With 11% undecided, the possibilities clearly ranged from a Nixon landslide at one extreme, to an even larger Humphrey landslide at the other.

While Harris' final results showed a Humphrey lead, his figures were nevertheless within the normal allowable range of sampling error to which surveys of this kind are subject. One might, therefore, chalk up his "error" to sampling variation. However, the fact that Harris' results throughout the entire campaign showed Humphrey to be stronger and Nixon to be weaker than the Gallup Poll did, suggests that Harris' "error" may be due more to some aspect of methodology than to the "luck of the draw".

Clearly, if laurels are to be given they must go to Gallup — who had the right man, by the closest percentages.

equally important is the President's view of the public. This doesn't mean polls as a tool to get elected, or as a source of reassurance in office; it certainly doesn't mean polls to set policy. But in a democracy, where the right to hold office must ultimately depend on the public's consent, a President should be continuously aware of what the public thinks and wants and worries about. Polls should therefore be one of the normal tools of government.

What is needed is a regular, systematic measurement of public attitudes, beliefs and concerns. Such a continuing survey should be independent of political pressures as well as the urgency of events. One way of bringing such a survey into being would be by establishing a permanent Presidential commission, made up of qualified experts from the fields of politics, political science, the

press and polling, who would have sole authority over the timing and content of the surveys. Research could then be carried out in the depth and detail commensurate with the complexity and seriousness of the issues to be studied — an approach not feasible for any of the commercially-based polls we have today. *All* the results would be published in the interest of public and governmental enlightenment.

Such a continuing survey, freed of the need to be politically profitable or journalistically exciting, would provide the other half of the two-way communication between the people and the government on which a functioning democracy depends. It would put in perspective the clamor of protest and pressure groups by providing a listening post for the true voice of the people.

— Burns Roper

THE ROPER ORGANIZATION INC.

CARTER RATING: HIGH BUT DOWN

By

Burns W. Roper
Chairman, The Roper Organization

Interviewing started three days after Bert Lance's resignation reveals that President Carter's support rating is down 8 points from what it was in May, shortly after he delivered his energy message, and down 14 points from his high in March. Nevertheless, supporters outnumber critics by two to one.

To determine the level of President Carter's support, the Roper Poll asked this question in 2,000 personal interviews across the nation during the last week in September:

How do you feel about President Carter -- at the present time, would you describe yourself as a strong Carter supporter, a moderate Carter supporter, a moderate critic of Carter, or a strong critic of Carter?

	<u>Latest</u>	<u>May 1977</u>	<u>March 1977</u>	<u>December 1976</u>
<u>Supporters</u>	<u>63%</u>	<u>71%</u>	<u>77%</u>	<u>64%</u>
Strong supporter.....	16	23	32	24
Moderate supporter....	47	48	45	40
<u>Critics</u>	<u>31</u>	<u>24</u>	<u>16</u>	<u>30</u>
Moderate critic.....	23	18	12	21
Strong critic.....	8	6	4	9
Don't know.....	6	5	7	7

While President Carter's rating has dropped appreciably in the last six months, it is still as high as it was after he was elected, but before he took office -- before he had had the opportunity to do himself any damage. Moreover, President Carter's current rating is higher than the same question found for President Ford at any time during his term of office, except for the month in which he took office (August, 1974). It is twice as high as any of the ratings President Nixon received during his last year in office.

It might be assumed that Carter's latest drop is due to the Bert Lance affair and his ultimate resignation, which occurred immediately prior to interviewing. However, another question asked in the same poll suggests this is not the case. A question asked in March was repeated in the latest poll. The question asked whether respondents "generally approve or generally disapprove"

of each of eight specific aspects or policies of the President, ranging from "his handling of the economy" to "his handling of foreign relations" to "his attitude toward the press" to "his position on handling the energy crisis". From March to September, President Carter was down on all eight counts. He was down only three points on his attitude towards the press, but a much larger sixteen points on both his handling of the economy and his position on handling the energy crisis.

One of the items asked about in this set of eight was "the kinds of people he surrounds himself with". The change in rating on this count should be reflective of the Bert Lance affair. His approval rating on this count is down nine points (from 56% to 47%), but this is a smaller drop than the average of his decline on the eight items. When the ratings drop for each of the eight items is averaged, his overall decline is eleven points from March to September. Thus, it would appear that the Lance affair has not been a major factor in the President's decline. In part, the President's support rating seems due to an evaporation of the euphoria that prevailed in his first months in office. To the extent that specifics have played a role, his handling of the economy and of the energy issue appear to have hurt him most.

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#

Date: November 10, 1977

MEMORANDUM

FOR ACTION:

Bob Lipshutz
Jody Powell
Jack Watson
Jim McIntyre

FOR INFORMATION:

The Vice President
Hamilton Jordan
Frank Moore (Les Francis)

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Eizenstat memo dated 11/7 re Need for End-of-Year Statement
on Progress in Reducing Paperwork Burdens

**YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:**

TIME: 12:00 Noon

DAY: Saturday

DATE: November 12, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

November 15, 1977

Stu Eizenstat

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Jody Powell
Jim McIntyre

NEED FOR END-OF-YEAR STATEMENT ON
PROGRESS IN REDUCING PAPERWORK
BURDENS

THE WHITE HOUSE
WASHINGTON

11/14/77

Mr. President:

McIntyre, Watson and Lipshutz
concur.

Jody suggests that Jim
McIntyre make the statement --
either from the White House,
or in a speech.

Rick

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
/		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
/		POWELL
		WATSON
/		LANCE <i>JM</i>
/		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

November 7, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*

SUBJECT:

Need for End-of-Year Statement
on Progress in Reducing Paper-
work Burdens

My impression is that a number of agencies have made important progress in reducing paperwork burdens. It may be that a statement reviewing this progress would be useful towards the end of this year.

If you approve, I would like to work with Jim McIntyre and Harrison Wellford in exploring this possibility, so OMB or you, if it is impressive enough, could issue a public report of the Administration's success.

✓

Approve

Disapprove

[Handwritten signature]

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

Date: November 10, 1977

MEMORANDUM

FOR ACTION:

Bob Lipshutz *concur*
Jody Powell *attached*
Jack Watson *concur by phone*
Jim McIntyre *attached*

FOR INFORMATION:

The Vice President
Hamilton Jordan
Frank Moore (Les Francis)

FROM: Rick Hutcheson, Staff Secretary

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Please note other comments below:

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THE WHITE HOUSE
WASHINGTON

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	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

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		COSTANZA
		EIZENSTAT
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X		LIPSHUTZ
	X	MOORE
X		POWELL
X		WATSON
X		McINTYRE
		SCHULTZE

	ENROLLED BILL
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	STRAUSS
	VOORDE
	WARREN

Date: November 10, 1977

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ACTION REQUESTED:

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☐ No comment.

Please note other comments below:

BT

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If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



**PRESIDENT'S
REORGANIZATION
PROJECT**

WASHINGTON, D.C. 20503

NOV 11 1977

MEMORANDUM FOR RICK HUTCHESON

FROM: WAYNE G. GRANQUIST
ASSOCIATE DIRECTOR, MANAGEMENT AND
REGULATORY POLICY

Wayne Granquist

SUBJECT: Need for End-of-Year Statement
on Progress in Reducing Paperwork
Burdens

You asked for OMB's comments on Stu Eizenstat's memorandum of November 7, 1977 regarding progress on reducing paperwork burdens.

OMB endorses the need for an end of year statement by the President on the results of our past efforts on reducing paperwork as well as the future goals of our program. Jim McIntyre is sending a memorandum to heads of departments and agencies that will provide the information necessary to prepare this progress report.

If the President agrees, we will work with the Domestic Policy Staff in preparing the statement.

cc:

Harrison Wellford

THE WHITE HOUSE
WASHINGTON

November 7, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*

SUBJECT:

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My impression is that a number of agencies have made important progress in reducing paperwork burdens. It may be that a statement reviewing this progress would be useful towards the end of this year.

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_____ Approve

_____ Disapprove

*If we have accomplished anything,
I suggest McIntyre make statement
either from White House or in speech
with press release of at least the
pattern of the text.*
JSB

THE PRESIDENT HAS SEEN.



~~CONFIDENTIAL~~
THE VICE PRESIDENT
WASHINGTON

November 15, 1977

Int 3-
ok
JC

MEMORANDUM FOR THE PRESIDENT

FROM: The Vice President *WJ*
SUBJECT: Timing of Visits to Canada and Mexico

I was very pleased to receive your approval of the proposed visits to Canada and Mexico, together with your suggestion on reversing the order of the visits.

In first considering the timing and sequence of the two visits, I weighed going to Mexico first. However, I was advised that Foreign Minister Roel had foreign travel planned in the month of December and that the Government of Mexico preferred that I schedule the visit for early 1978. At the same time, Prime Minister Trudeau's staff indicated that the Prime Minister would prefer that I plan to visit Canada in mid-December.

I believe that by announcing both visits simultaneously we will emphasize the priority we attach to the Mexican visit as well as the Canadian visit.

With your approval, and taking into account the timing preferences stated by the Mexican and Canadian governments, I would like to continue to plan on visiting Canada in December and Mexico in late January or early February 1978.

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 12356, SEC. 3.4(b)
WHITE HOUSE GUIDELINES, FEB. 24, 1983
BY *jay* NARS, DATE *2/7/90*